



HOMEOWNERS OF ENCINO

"Fighting to keep the American Dream of Home Ownership alive"
<https://homeownersofencino.wordpress.com/>

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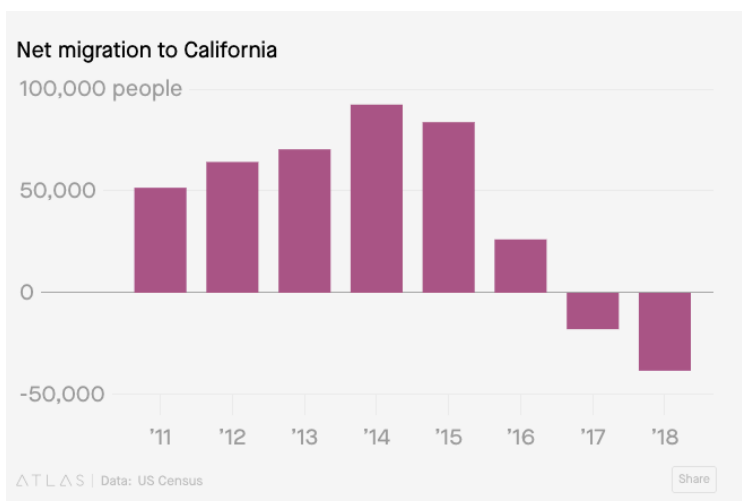
RE: 6th Cycle Regional Housing Needs Assessment

Dear Southern California Association of Governments:

Homeowners of Encino submit the following comments and suggestions on the 6th Cycle RHNA for our region: Home believes the "Housing Crisis" is vastly overstated. Home concludes that the real crisis is affordability. The need to build 1.3 million additional units of housing is based on fallacious assumption and dreams about where California was heading 15 to 20 years ago. No longer is California the Golden State. No longer is there vigorous immigration (except the illegal kind) coming to our State to make a life. No need to take Home's word for it just Google California Exodus.

Here is a typical example of what you will find:

<https://qz.com/1599150/californias-population-could-start-shrinking-very-soon/>

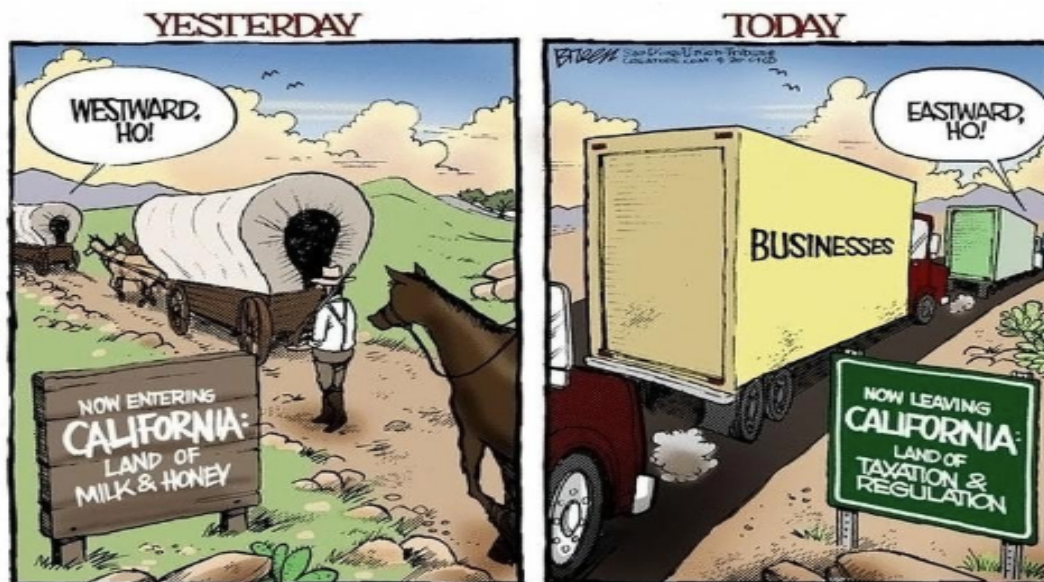


According to [recently released](#) data from the US Census, about 38,000 more people left California than entered it in 2018. This is the second straight year that migration to the state was negative, and it's a trend that is speeding up. Every year since 2014, net migration has fallen. California's population did still increase in 2018 by almost 160,000 people, primarily due to the 480,000 people born in the state. Migration out of the state has accelerated over the past few years, the number of annual births has been steady. **The trend suggests in the next decade California's, population will begin to decline.**

According to CNBC (<https://www.cnbc.com/2019/02/12/growing-number-of-californians-considering-moving-from-state-survey.html>) a growing number of Californians are contemplating moving from the state due to the sky-high cost of living, with sentiment highest among millennials, according to a new study. The desire to exit the Nation's most populous state was highest among millennials, the survey noted. Residents also consider crime and security as a top-three concern. The Edelman survey found 47 percent of Californians are considering moving out of the state in the next five years. Again, it found the rates among millennials were higher with 55 percent of them contemplating the move. And 57 percent of Californians with kids under 18 also were considering packing up and leaving in the next five years.

More than half of all California voters "considered leaving the state". The following comes from [the Los Angeles Times](#)...

Just over half of California's registered voters have considered leaving the state, with soaring housing costs cited as the most common reason for wanting to move, according to a new poll. Young voters were especially likely to cite unaffordable housing as a reason for leaving, according to the latest [UC Berkeley Institute of Governmental Studies poll](#) conducted for the Los Angeles Times. But a different group, conservatives, also frequently suggested they wanted to leave — and for a very different reason: They feel alienated from the state's political culture.



It is not just people who are leaving the State it is business. Big businesses with good paying jobs are fleeing the California in droves. Carl's Jr., a California burger icon for more than six decades, has relocated its headquarters to Nashville. Among the roll call of businesses abandoning California for more hospitable business environments includes Toyota which has left Torrance and will complete the move of its U.S. headquarters to Dallas in the coming month. Also, having left for Dallas is Jacobs Engineering Group, \$6.3 billion firm formerly based in Pasadena that has more than 230 offices across the world, employs 60,000 and generates \$12 billion in annual revenue. Nestle USA which is moving its headquarters from Glendale, Calif., to Rosslyn, Va., near Washington, D.C., and taking 1,200 California jobs with it. Without good jobs our Millennial housing problem will vanish as they follow the high paying jobs to other States. When Nestle's left so did my daughters' job. It took her a year to find a similar position because good jobs in California are becoming harder to find due to business flight out of the State.

Business relocation expert Joe Vranich who, as president of Irvine-based Spectrum Location Services, has been tracking the exodus of companies of all sizes. Vranich told Investor's Business daily (IBD) that from 2008 through 2015, [at least 1,687 California companies pulled up stakes](https://chiefexecutive.net/business-exodus-california-troubling-sanctuary-policies/) and moved elsewhere. And those are only the reported ones. Vranich cites a rule of thumb among business site-selection experts that five companies leave for each one that actually gets reported in the press. So, it's probable that as many as 10,000 companies have left in recent years.

<https://chiefexecutive.net/business-exodus-california-troubling-sanctuary-policies/>

As SCAG knows Mayor Garcetti has built more than 125,000 housing units. These additional units have not improved affordability but made Los Angeles less affordable. Developers seek to maximize their profits; therefore, they have no interest in building affordable housing. Many of the new apartments are being built on land that once held affordable units.



Additionally, a developer is forced by the current policy to build units that will attract the highest rents. This is due to expensive parcels acquisition costs, restrictive labor laws, sky-high taxes, including property taxes, expensive skilled and day labor, the high cost of raw materials, expensive environmental regulation, insurance, marketing and tariffs, squeezing out the low cost producer. So, unless a way is found to make it attractive for a developer who is forced by the banks to maximize investment returns (ROI), he is not going to build affordable units. Ergo we will have constructed large and unaffordable apartment buildings that will sit on the balance sheets of foreign banks as a tier 1 investment.

It is just not the SALT deductions that are driving people out of California. Sky-high Sales Taxes, the highest Gasoline taxes in the nation. Roads that rival Zimbabwe which adds thousands of dollars in maintenance and repairs to keep cars roadworthy, (tires, wheels, alignment, and suspension parts). Los Angeles has the worst traffic in the Nation. Orange County's traffic is also terrible. Despite Billions being spent on alternative transportation the Metropolitan Transit Authority is losing Bus and Rail

Ridership at an alarming rate. These are not attributes that speak to a high living standard, or any rational person would find attractive except an illegal immigrant.

Another reason we will not need all these additional housing units experts warn is the cap on state and local tax (SALT) deductions has already begun to **drive** some residents away from **high-tax** states like California, New York and New Jersey, but experts say that trend is only going to intensify. "It took a few months for taxpayers to realize the dollar implications – until they actually filed their tax returns this year," Alan Goldenberg, a principal at Friedman LLP, told FOX Business. "It quantified the impact of the loss of the SALT deduction when people saw it in front of their eyes on their tax return." The Tax Cuts and Jobs Act introduced a number of reforms, including the notorious \$10,000 cap on state and local tax deductions, which has caused Americans to look into establishing legal primary residences in states where they can limit their liabilities. Goldenberg expects to see "more and more" taxpayers looking to move in the wake of this year's tax season, which remains ongoing for those who filed for a six-month extension.

Some businesses, too, are looking to move. Those that have other locations in places like Dallas and Houston can more easily relocate, Goldenberg said, but it is difficult for a large company with hundreds of employees to shift its main operations elsewhere.

<https://www.foxbusiness.com/economy/high-tax-state-exodus-accelerate>



Of course, the Coup de Grâce for stopping the flow of legitimate and needed immigration into our State and accelerating the outflow is the epidemic of Homeless Encampments. Or should I be graphic and say the copious piles of feces, tons of garbage and plastic syringes piling up in California's Cities? This is National and Global News, and the most significant anti-California publicity anybody, at anytime, anywhere, could come up with. For instance, it has been reported that Los Angeles is one step away from having epidemics we thought were unthinkable in the 21st Century. All major media outlets are reporting that because of rat infestations, fleas, feces, tons of garbage soaked in urine rotting on the streets Southern California is seeing disease you would

expect in a last world country. Typhus, Tuberculosis, Hepatitis A, Leprosy, Typhoid, and Bubonic Plague are all frequently mentioned as a consequence of our lack of care and shelter for the Homeless. We are a public health crisis!

Public-health officials and politicians are using terms like *disaster* and *public-health crisis* to describe the outbreaks, and they are warning that these diseases can easily jump beyond the homeless population. "Our homeless crisis is increasingly becoming a public-health crisis," California Governor Gavin Newsom said in his State of the State speech in February, citing outbreaks of hepatitis A in San Diego County, syphilis in Sonoma County, and typhus in Los Angeles County. "Typhus," he said. "A medieval disease. In California. In 2019."

The diseases spread quickly and widely among people living outside or in shelters, helped along by sidewalks contaminated with human feces, crowded living conditions, weakened immune systems, and limited access to health care.

"The hygiene situation is just horrendous" for people living on the streets, says Glenn Lopez, a physician with St. John's Well Child & Family Center, who treats homeless patients in Los Angeles County. "It becomes just like a Third World environment, where their human feces contaminate the areas where they are eating and sleeping."

Those infectious diseases are not limited to homeless populations, Lopez warns: "Even someone who believes they are protected from these infections [is] not."

<https://www.theatlantic.com/health/archive/2019/03/typhus-tuberculosis-medieval-diseases-spreading-homeless/584380/>

Sacramento's has commanded that 31% of the Los Angeles DWP generated power be shut down starting in 2024. <https://www.latimes.com/business/la-fi-garcetti-dwp-gas-plants-20190212-story.html> As of this writing, the Dept. of Water and Power has no idea how to replace the electricity. The additional 1,300,000 units of dwellings will just add to the blackouts and brown-outs that are already occurring, especially in the mid-city area and will surely spread out to every part of the City, sooner or later. New luxury apartments like in the Greater Fairfax - Miracle Mile and San Fernando Valley areas, draw far more electricity than the structures they replace. Neighborhoods date back to the 1920s. Their infrastructure was designed for houses and apartments that did not have electric refrigerators, electric stoves and ranges, microwave ovens, juice extractors, blenders, dishwashers, radiant heat under the floor, can openers, knife sharpeners, dryers, sound systems, computers, phone chargers, wi-fi, and 80" televisions. Our electric grid was first started to be built out in the 1920s. When much of the existing grid was started the present per capita energy, use was minimal. Electrical energy consumption

has increased by at least a factor of seven. New McMansions are energy hogs too, and generally consume three times the energy of the bulldozed homes they have replaced. Of course, these behemoth houses domicile the same number of people as the older more, efficient houses they replaced. No surprise, these McMansions are so much more energy- intensive with their 24/7 heating & air conditioning, heated pools & Jacuzzi's, huge TV's, usually in every room of the house, whole house vacuum systems social media systems like systems like Alexa from Amazon. All this adds up to make these new and "improved" dwellings energy gluttons all day and all night.

In conclusion, Homeowners of Encino does not support an additional 1,300,000 units of housing for Southern California. It is unsustainable, unnecessary, and unsupported by opinion polls of the demographic we seek to build for. Instead, we ask the Committee to turn its attention to the real problems at hand. Issues that urgently need addressing are So Cals Energy Sustainability, finding the money to modernize our aged infrastructure (app. cost \$10 Billion for Los Angeles) — an affordable solution to housing the Homeless or appropriating the money to pick up the garbage and cleaning the excrement off our streets. We also urge the Committee for the sake of efficiency to think about remodeling and repurposing the buildings we have, this is cheaper, less polluting and it saves a part of our history and legacy that is being bulldozed every day.

Respectfully submitted,



Eliot C. Cohen

President Homeowners of Encino